GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:5771
ANSWERED ON:30.08.2001
UTILISATION OF FUNDS OF NINTH PLAN
PRABHUNATH SINGH

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether budget provision for Ninth Five Year Plan for the Ministry was Rs. 78401 crore out of which a balance of Rs. 30700 crores is still available and only about one year has left for the plan to be completed;

(b) if so, the reasons for the poor utilisation of funds;

(c) whether the target set for the plans by the Ministry is to be achieved with this speed of utilisation of funds; and

(d) if so, the steps the Government propose to take to achieve the target and utilise the funds fully?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI SANTOSH KUMAR GANGWAR)

(a) to (d): Planning Commission has approved an overall outlay of Rs. 78,401.00crores for petroleum and natural gas sector during Ninth Five Year Plan including Rs. 4054.37 crores for itspetrochemical and Rs. 332.45 crores for its engineering operations. The approved outlay is only in respect of Public Sector Undertakings (PSUs) in Oil sector. The above outlay approved by Planning Commission does not provide for any Budgetary support to oil PSUs.Planning Commission does not approve the outlays for the private sector.

The actual expenditure during April 1997 to July 2001 has been of the order of Rs. 45,082 crores approximately.

During 2001-02, Planning Commission has approved an outlay of Rs. 17,147.26 crores for various on-going and new plans of public sector oil companies, against which approximately Rs. 2,469 crores has been spent during April - July 2001.

The reasons for under utilisation of funds, interalia, include non materialiastion of joint venture (JV) projects due to withdrawal by JV partners, delay in execution of the linked projects, demand recession in petrochemical sector, delay in receipt of environment clearances in some cases, shelving\dropping of some project proposals which have meanwhile become economically unviable etc.

The progress in this regard is reviewed by Planning Commission at the time of Annual and Mid Term Plan discussions, by Department of Public Enterprises at the time of memorandum of understandings with public sector undertakings, by the Ministry of Petroleum and Natural Gas in various meetings such as Quarterly Progress Report Meetings etc.